

## 2017 North Chamber State of the County

May 26, 2017

- Thank you, Duane Wilson and Phyllis Gallay for your leadership.
- Things are good. Bexar County is **strong**.
  - We are on pace to add 30,000 jobs this year.<sup>1</sup>
  - Our unemployment rate is lower than the average in Texas and the United States.<sup>2</sup>
  - Home values went up 6% last year, and 2017 should be even better.<sup>3</sup>
  - Time magazine recently reported that we are gaining millennial at a faster rate than every major urban area in the country.
- Bexar County is clearly an economic engine.

But we must keep moving forward; work harder in good times not to lose our momentum.

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<sup>1</sup> <http://www.expressnews.com/business/local/article/San-Antonio-job-growth-picks-up-pace-in-2017-10848738.php>

<sup>2</sup> [https://www.bls.gov/regions/southwest/summary/blssummary\\_sanantonio.pdf](https://www.bls.gov/regions/southwest/summary/blssummary_sanantonio.pdf)

<sup>3</sup> <http://www.expressnews.com/real-estate/article/San-Antonio-housing-market-sets-new-sales-price-10861278.php>

### **Here is what we are working on:**

- We will continue to build a tech industry through our partnerships with Geekdom and Tech Bloc by utilizing the Bexar County's \$2 million Innovation Fund.

### **Some examples of the fruits of this include:**

- The relocation of Easy Expunctions from Austin as well as the expansion and retention of Liquid Web from Michigan.
- The expansion of Capture Rx will lead to up to 400 jobs with a minimum of \$50,000.
- The County also put forward \$50,000.00 for the first Tech Fuel competition where 40 plus applicants applied and three were selected.
- The County hosted a 3 day startup program with over 100 participants.

### **Hulu, the big catch.**

- This all started off with a 50 city search by Hulu.
- I met Ben Smith, their Senior VP, at Rackspace. He was impressed and Rackspace helped us attract them.

- Then two weeks later at the crack of dawn, I, along with Mayor Taylor and the Economic Development Foundation delegation, took off for Los Angeles to meet with Hulu's CEO, CFO and Senior VPs.
- Once there, we made our closing argument for why San Antonio would be the best site for Hulu to grow their viewer experience headquarters. Then, we immediately got back in the car and headed back home. We landed back in San Antonio at midnight!
- Let me tell you that sealed the deal. They chose us and decided on a building right off IH10 by the Medical Center. About 500 new jobs will be created.

### **BiblioTech**

- Bexar County created Bibliotech to compliment the tech industry. It is the nation's first all-digital library three years ago and continues to get national recognition.
- Just recently, the Ash Center for Innovation at the John F. Kennedy School of Government, Harvard University, selected Bibliotech to receive the designation of "Top 25 Programs in American Government" in this year's competition. That's among the top 2% in the nation.

- To date, BiblioTech has:
  - 1,181,361 website visits
  - 357,869 eBooks circulated since opening
  - Audio books, movies, graphic novels, music, language learning, software learning, and adult education courses
- Bibliotech partnered with VIA for Ride and Read –located in 6 transit stations moving to 6 more this year.
- Additional BiblioTech kiosks have been installed at University Health System locations and the San Antonio Food Bank.
- The 3rd BiblioTech branch – Bibliotech East is set to open in the fall.
- In the BiblioTech East branch, there will be a Makerspace, where students will develop technology skills through problem solving and hands-on learning, while preparing them with 21st Century skills.
- It is a step towards giving everyone - regardless of their zip code — an equal shot at participating in a digital world.
- BiblioTech has partnered with Sprint and Manage Mobility to help close the digital divide by enabling patrons to access broadband internet service from their homes through the Library Wi-Fi Hotspot Checkout Program.

- I'm excited to announce that this summer BiblioTech will begin checking out Wi-Fi hotspots to patrons.
- Many Bexar County residents do not have internet access at home, which excludes them from obtaining online resources, job training, school work & e-textbooks, and library-provided educational databases from their homes.
- This program works to close the digital divide of those in need of school studies, job searches and more by providing wireless connectivity to library members without broadband service.
- Thank you to our partners at Sprint, Nancy Anderson and Mike Meuwissen who are here today.
- I'd like to thank Laura Cole, our Bibliotech Administrator and my wife, Tracy. Without her vision and tireless efforts at fundraising for Bibliotech, we certainly would not have been able to reach as many in the community as we have.

## **Not just about tech but other economic endeavors**

- Bexar County has invested \$900 million in the Bexar County Hospital dba as University Hospital. There are over 7,000 employees working under leadership of President George Hernandez.
- T.J. Maxx and Marshall, a Fortune 100 company, is creating up to 1200 new jobs in south Bexar County.
- TJX is investing \$130 million to build a state-of-the-art, one million square-foot distribution center on the Southside.
- Brooks City Base is a diversified economic generator:
  - It has become a premiere high-tech manufacturing center for DPT labs, Nissei Plastics, and others;
  - Also located there is the University of the Incarnate Word's new school for osteopathic medicine, that the County is contributing \$1M towards.
  - Houses also the Brooks Academy of Science and Engineering
  - A new medical hub with Mission Trails Baptist and the Brooks Medical Plaza building;
  - A great corporate campus for great jobs with great companies like Volt, Calumet.
  - And just recently has added a beautiful Embassy Suites hotel.

- Thank you to Leo Gomez and the South Chamber for your hard work.
- Port San Antonio is another economic hub. It is home to the 24<sup>th</sup> Air Force (Cyber Command) Headquarters. Over 1,000 cyber security professionals are working in San Antonio.
- Since 2016, several new cyber security companies have established operations at the Port, including iSecure, Radiance Technologies, Fidelis Cybersecurity, and IOMAXIS. Other Port tenants engaged in cyber security projects are Booz Allen Hamilton and General Dynamics.
- In April, I attended the ground- braking of the first phase of a 90,000-square-foot facility allowing expansions by the regional cyber security community.

**To sustain job creation, we need to focus on three major issues.**

1. Develop skill training programs
2. Keep up investment in infrastructure
3. Create a life style and amenities that attract and retain talent

**First and foremost is a talented workforce**

- Thirty months ago, Mayor Taylor and I held a Workforce Summit. Out of that summit came the creation of SA Works under the direction of the Economic Development Foundation and the private sector.

- We worked directly with school districts to come up with a curriculum in which students could earn dual credits while finishing high school as well as industry certificates.
- Schools are now offering more career and skill training courses such as the Southwest Independent High School cyber security certification.
- Just this Monday Toyota announced a \$1.5 million grant to create an advanced manufacturing center at Southside.
- At the County we're offering high school students paid internships and a Job Shadow Day.
- Bexar County has partially funded an Apprenticeship Program with CodeUp for 20 of their graduates. We also funded Open Cloud training for veterans along with Project Quest, and performed CompTIA training at our Bibliotech.
- Thank you to my colleague Commissioner Tommy Calvert for your support in these programs.

## **Second keep up infrastructure**

- The recently passed City Bond Program provides \$584.3M for streets and drainage.

- Bexar County and the Alamo Regional Mobility Authority has partnered with Texas Department of Transportation to deliver 14 regionally projects totaling **\$179M**.
- Bexar County has a **\$262M** investment in U.S. Hwy. 281, Loop 1604 and IH10 infrastructure.
- We recently helped break ground on the long-awaited U.S. Hwy. 281 project.
  - Construction has begun on Segment 1 from Loop 1604 to Stone Oak and should be open to traffic in 2020; the 2<sup>nd</sup> Segment will go all the way to the County line and should be open by 2022.
  - VIA will be opening a Stone Oak Way Park & Ride terminal that will be open late this summer and will have a direct connection to U.S. Hwy. 281 on high occupancy lanes.
- The IH 10 project was bid this month. The project will add an additional general purpose lane and HOV lane in each direction essentially doubling the existing size from 4 lanes to 8 total lanes - construction should start in about 90 days and take 2 years to complete.
- Bexar County has provided \$70 million in funding to expand Loop 1604 from its existing configuration to a 4 lane expressway with continuous

frontage roads. The project will also include a direct connector from Loop 1604 to Hwy 90 East. The project is currently under construction with expected completion by November of 2019.

- Mayor Taylor and I created an airport task force to look at the big picture of how to improvement our air service.

Thank you to Bexar County Public Works Director Renee Green and Commissioner Kevin Wolff.

**Thirdly, we must create a dynamic life style** by offering a choice of urban and suburban environments

- We are offering people a choice to live in a vibrant central city environment. Thousands of living units and more on the way. Construction is beginning on 700 units south of courthouse near HEB's new grocery store.
- The old Lone Star Brewery, located on the Mission Reach of the San Antonio River, long been vacant, is now poised to become the “Pearl of the South”.
- The County has set the stage for Lone Star by make a \$200M investment in the Mission River Reach of the river and leading the effort that resulted in the Mission and Alamo becoming a World Heritage site.

- Tennessee-based CBL & Associates is well-capitalized and willing to put up the money necessary to build a live-work-play environment.
- The City is making \$5 million investment in infrastructure through bond dollars and tax credits.
- The County is considering making a large investment in public infrastructure.

### **MLS Soccer**

- MLS soccer is the sport of the future and would be huge amenity to attract and retain talent.
- Late in 2015 Bexar county and the city purchased Toyota field in an effort to pursue major league soccer (MLS) team.
- The San Antonio Spurs and Sports Entertainment operate a minor league united soccer league (USL) franchise team and are working with us to pursue an MLS team. League will expand by 4 teams.
- County Manager David Smith and I have met three different times with MLS officials now and Mayor Taylor has also met with them.
- Should we be successful, we will have to go to a vote to expand using hotel-motel tax with no tax increase to expand stadium.

- We believe we have a good chance to fall into the probability of being 3<sup>rd</sup> or 4<sup>th</sup> team

## **Tricentennial**

- We are partnering with the City to celebrate our 300th anniversary next year.  
It will be a very big year for us!
- Leading up to our historic year the County has conducted two symposiums.
- We had an earlier exhibit that brought historic documents from Spain. We will open the Alamo Library collection this September along with the DRT and Texas A&M University on the south end of the County Courthouse.
- Historic Hot Wells Resort, at turn of century, was a popular spa, hotel, bathhouse, and health resort located on the San Antonio River across from Mission San Jose. Dignitaries such as Theodore Roosevelt, Charlie Chaplin, and Rudolph Valentino would come for the therapeutic benefit offered by sulphur spring water from an Edwards Aquifer well.
- A series of fires left the resort in ruins. Vacant for decades.
- James Lifshutz donated the property to Bexar County just this spring.
- We are in the process of remediating the property, stabilizing the ruins, landscaping and creating an entrance from Presa Street.

- James Lifshutz will develop rest of property including opening a new spa utilizing the healing effects of sulfur water.
- The Hot Wells Conservancy- led by Yvonne Katz and Cindy Taylor- will raise money to manage the park and restore the remaining historic building.
- Thank you to Commissioner Chico Rodriguez.

### **San Pedro Creek**

- Most important will be the County's restoration of San Pedro Creek where the Spanish first settled.
- The first civil and religious settlements were founded on the creek where Presidio de Béjar and San Antonio de Valero were established. This was the historic founding of San Antonio.
- Bexar County is investing \$125M in the creek. City voters just approved \$19M to help out.
- The project begins at the San Pedro Creek tunnel inlet near Fox Tech High School and stretches 2.2 miles south. It will eventually connect with the San Antonio River near Mission Conception.

- The revitalized San Pedro Creek will improve flood control, restore natural habitat, improve water quality, stimulate economic development, and celebrate San Antonio's unique history and culture.
- The County is transforming the creek into a world-class linear park that represents the cultural identity of our community and that will inspire the people of Bexar County.
- The revitalized creek will include many public art projects that tell the story of the creek and our heritage. It will be world-class showcasing art from local, regional, national and international artists.
- Next year on our 300<sup>th</sup> anniversary we will open the first phase of the creek, from the tunnel inlet to Houston Street. The water quality and aquatic habitat will be revitalized and 10,950 aquatic plants and 17,436 trees, shrubs and grasses will be planted.
- The history of Bexar County will be told through 13 interpretive signs and 5 locations of word art by John Phillip Santos along the 4,000 linear feet of Paseo. The preservation of 1,800 feet of historic linear wall will also tell the creek story.

- Local artists will also tell the culture of Bexar County through 19 tile benches, 4 murals by local artists and artwork on bridge railings by Diana Kersey. 137 feet of murals, --- sq. Ft.
- The vision of the night sky in 1718 will be wrapped around the tunnel inlet structure and Plethora, a 60-foot sculpture by the renowned artist Jorge Rodriguez-Gerada.
- In addition to permanent art features, an ongoing series of rotating artworks as well as audio, visual and performing art.
- San Pedro Creek is already igniting development all along the Westside of downtown. The \$142 million Frost Tower broke ground in March of this year and the \$16 million Linda Pace Foundation Museum, known as Ruby City, will break ground later this month.
- Bexar County together with the City and Texas Public Radio are partnering on the \$26 M renovation of the Alameda Theater which will be adjacent to the 150-seat amphitheater on the creek. Together the Alameda and the Amphitheater will be a hub for the performing arts in downtown.
- The \$132.5M new U.S. Federal Courthouse will be located on the banks of San Pedro Creek.

- Thank you to County Manager David Smith and Commissioner Paul Elizondo and Suzanne Scott General Manager of the San Antonio River Authority who is supervising the construction work.
- Also thank you to Congressman William Hurd and Congressman Henry Cuellar for their assistance in securing \$10 million for reimbursement towards the Mission Reach project from the U.S. Army Corp of Engineers.
- Betty Bueche, under the guidance of Commissioners Court commissioned an original opera for the creek.
- The first act was performed at the groundbreaking, symphony, ballet, opera, and mariachis. A very special night. The final two acts will be performed at the Tobin center on our 300<sup>th</sup> anniversary.
- Now a special treat for you all in closing. Our local opera singer Cara Smoot will sing one of the original pieces, “Lady of the Creek’.
- She will be accompanied by Mark Alexander on piano.